

PROPOSED AMENDMENT
SENATE AMENDMENTS TO H.B. 2102
(Reference to House engrossed bill)

Strike everything after the enacting clause and insert:

"Section 1. Section 15-1626, Arizona Revised Statutes, is amended to read:

15-1626. General administrative powers and duties of board

A. The board shall:

1. Have and exercise the powers necessary for the effective governance and administration of the institutions under its control. To that end, the board may adopt, and authorize each university to adopt, such regulations, policies, rules or measures as are deemed necessary and may delegate in writing to its committees, to its university presidents, or their designees, or to other entities under its control, any part of its authority for the administration and governance of such institutions, including those powers enumerated in section 15-1625, subsection B, paragraphs 2 and 4, paragraphs 3, 4, 8, 9, 11 and 12 of this subsection and subsection B of this section. Any delegation of authority may be rescinded by the board at any time in whole or in part.

2. Appoint and employ and determine the compensation of presidents with such power and authority and for such purposes in connection with the operation of the institutions as the board deems necessary.

3. Appoint and employ and determine the compensation of vice-presidents, deans, professors, instructors, lecturers, fellows and such other officers and employees with such power and authority and for such purposes in connection with the operation of the institutions as the board deems necessary, or delegate its authority pursuant to paragraph 1 of this subsection.

1 4. Remove any officer or employee when the interests of education in
2 this state so require in accordance with its personnel rules and policies.

3 5. Fix tuitions and fees to be charged and differentiate the tuitions
4 and fees between institutions and between residents, nonresidents,
5 undergraduate students, graduate students, students from foreign countries
6 and students who have earned credit hours in excess of the credit hour
7 threshold. For the purposes of this paragraph, the undergraduate credit hour
8 threshold is one hundred fifty-five hours for students who attend a
9 university under the jurisdiction of the board in fiscal year 2006-2007, one
10 hundred fifty hours for students who attend a university under the
11 jurisdiction of the board in fiscal year 2007-2008 and one hundred forty-five
12 hours for students who attend a university under the jurisdiction of the
13 board after fiscal year 2007-2008. The undergraduate credit hour threshold
14 shall be based on the actual full-time equivalent student enrollment counted
15 on the twenty-first day after classes begin for the fall semester of 2005 and
16 every fall semester thereafter and any budget adjustment based on student
17 enrollment shall occur in the fiscal year following the actual full-time
18 equivalent student enrollment count. The undergraduate credit hour threshold
19 shall not apply to degree programs that require credit hours above the credit
20 hour threshold, credits earned in the pursuit of up to two baccalaureate
21 degrees, credits earned in the pursuit of up to two state regulated
22 licensures or certificates, credits earned in the pursuit of teaching
23 certification, credits transferred from a private institution of higher
24 education, credits transferred from an institution of higher education in
25 another state, credits earned at another institution of higher education but
26 that are not accepted as transfer credits at the university where the student
27 is currently enrolled and credits earned by students who enroll at a
28 university under the jurisdiction of the board more than twenty-four months
29 after the end of that student's previous enrollment at a public institution
30 of higher education in this state. On or before October 15 of each year, the
31 board shall report to the joint legislative budget committee the number of
32 students who were enrolled at universities under the jurisdiction of the

1 board during the previous fiscal year who met or exceeded the undergraduate
2 credit hour threshold prescribed in this paragraph. The amount of tuition,
3 registration fees and other revenues included in the operating budget for the
4 university adopted by the board as prescribed in paragraph 13 of this
5 subsection shall be deposited, pursuant to sections 35-146 and 35-147. All
6 other tuition and fee revenue shall be retained by each university for
7 expenditure as approved by the board, except that the universities shall not
8 use any tuition or fee revenue to fund or support an alumni association.

9 6. Except as provided in subsection ~~H~~ I of this section, adopt rules
10 to govern its tuition and fee setting process that provide for the following:

11 (a) At least one public hearing at each university as an opportunity
12 for students and members of the public to comment ~~upon~~ ON any proposed
13 increase in tuition or fees.

14 (b) Publication of the notice of public hearing at least ten days
15 ~~prior to~~ BEFORE the hearing in a newspaper of general circulation in Maricopa
16 county, Coconino county and Pima county. The notice shall include the date,
17 time and location of the public hearing.

18 (c) Public disclosure by each university of any proposed increases in
19 tuition or fees at least ten days ~~prior to~~ BEFORE the public hearing.

20 (d) Final board action on changes in tuition or fees shall be taken by
21 roll call vote.

22 The procedural requirements of subdivisions (a), (b), (c) and (d) of this
23 paragraph apply only to those changes in tuition or fees that require board
24 approval.

25 7. Pursuant to section 35-115, submit a budget request for each
26 institution under its jurisdiction that includes the estimated tuition and
27 fee revenue available to support the programs of the institution as described
28 in the budget request. The estimated available tuition and fee revenue shall
29 be based on the tuition and registration fee rates in effect at the time the
30 budget request is submitted with adjustments for projected changes in
31 enrollment as provided by the board.

1 8. Establish curriculums and designate courses at the several
2 institutions which in its judgment will best serve the interests of this
3 state.

4 9. Award such degrees and diplomas ~~upon~~ ON the completion of such
5 courses and curriculum requirements as it deems appropriate.

6 10. Prescribe qualifications for admission of all students to the
7 universities. The board shall establish policies for guaranteed admission
8 that assure fair and equitable access to students in this state from public,
9 private, charter and home schools. For the purpose of determining the
10 qualifications of honorably discharged veterans, veterans are those persons
11 who served in the armed forces for a minimum of two years and who were
12 previously enrolled at a university or community college in this state. No
13 prior failing grades received by the veteran at the university or community
14 college in this state may be considered.

15 11. Adopt any energy conservation standards promulgated by the
16 department of administration for the construction of new buildings.

17 12. Employ for such time and purposes as the board requires attorneys
18 whose compensation shall be fixed and paid by the board. Litigation to which
19 the board is a party and for which self-insurance is not provided may be
20 compromised or settled at the direction of the board.

21 13. Adopt annually an operating budget for each university equal to the
22 sum of appropriated general fund monies and the amount of tuition,
23 registration fees and other revenues approved by the board and allocated to
24 each university operating budget.

25 14. In consultation with the state board of education and other
26 education groups, develop and implement a program to award honors
27 endorsements to be affixed to the high school diplomas of qualifying high
28 school pupils and to be included in the transcripts of pupils who are awarded
29 endorsements. The board shall develop application procedures and testing
30 criteria and adopt testing instruments and procedures to administer the
31 program. In order to receive an honors endorsement, a pupil must demonstrate
32 an extraordinary level of knowledge, skill and competency as measured by the

1 testing instruments adopted by the board in mathematics, English, science and
2 social studies. Additional subjects may be added at the determination of the
3 board. The program is voluntary for pupils.

4 15. Require the publisher of each literary and nonliterary textbook
5 used in the universities of this state to furnish computer software in a
6 standardized format when software becomes available for nonliterary
7 textbooks, to the Arizona board of regents from which braille versions of the
8 textbooks may be produced.

9 16. Require universities that provide a degree in education to require
10 courses that are necessary to obtain a provisional structured English
11 immersion endorsement as prescribed by the state board of education.

12 17. Beginning July 1, 2007, acquire United States flags for each
13 classroom that are manufactured in the United States and that are at least
14 two feet by three feet and hardware to appropriately display the United
15 States flags, acquire a legible copy of the Constitution of the United States
16 and the Bill of Rights, display the flags in each classroom in accordance
17 with title 4 of the United States Code and display a legible copy of the
18 Constitution of the United States and the bill of rights adjacent to the
19 flag.

20 18. To facilitate the transfer of military personnel and their
21 dependents to and from the public schools of this state, pursue, in
22 cooperation with the state board of education, reciprocity agreements with
23 other states concerning the transfer credits for military personnel and their
24 dependents. A reciprocity agreement entered into pursuant to this paragraph
25 shall:

26 (a) Address procedures for each of the following:

27 (i) The transfer of student records.

28 (ii) Awarding credit for completed course work.

29 (iii) Permitting a student to satisfy the graduation requirements
30 prescribed in section 15-701.01 through the successful performance on
31 comparable exit-level assessment instruments administered in another state.

1 (b) Include appropriate criteria developed by the state board of
2 education and the Arizona board of regents.

3 19. Require a university to publicly post notices of all of its
4 employment openings, including the title and description, instructions for
5 applying and relevant contact information.

6 B. The board shall adopt personnel rules. All nonacademic employees
7 of the universities are subject to these rules except for university
8 presidents, university vice-presidents, university deans, legal counsel and
9 administrative officers. The personnel rules shall be similar to the
10 personnel rules under section 41-783. The rules shall include provisions for
11 listing available positions with the department of economic security,
12 competitive employment processes for applicants, probationary status for new
13 nonacademic employees, nonprobationary status on successful completion of
14 probation and due process protections of nonprobationary employees after
15 discharge. The board shall provide notice of proposed rule adoption and an
16 opportunity for public comment on all personnel rules proposed for adoption.

17 C. The board may employ legal assistance in procuring loans for the
18 institutions from the United States government. Fees or compensation paid
19 for such legal assistance shall not be a claim ~~upon~~ ON the general fund of
20 this state but shall be paid from funds of the institutions.

21 D. The board shall approve or disapprove any contract or agreement
22 entered into by the university of Arizona hospital with the Arizona health
23 facilities authority.

24 E. The board may adopt policies which authorize the institutions under
25 its jurisdiction to enter into employment contracts with nontenured employees
26 for periods of more than one year but not more than five years. The policies
27 shall prescribe limitations on the authority of the institutions to enter
28 into employment contracts for periods of more than one year but not more than
29 five years, including the requirement that the board approve the contracts.

30 F. The board may adopt a plan or plans for employee benefits which
31 allow for participation in a cafeteria plan that meets the requirements of
32 the United States internal revenue code of 1986.

1 G. The board may establish a program for the exchange of students
2 between the universities under the jurisdiction of the board and colleges and
3 universities located in the state of Sonora, Mexico. Notwithstanding
4 subsection A, paragraph 5 of this section, the program may provide for
5 in-state tuition at the universities under the jurisdiction of the board for
6 fifty Sonoran students in exchange for similar tuition provisions for up to
7 fifty Arizona students enrolled or seeking enrollment in Sonoran colleges or
8 universities. The board may direct the universities to work in conjunction
9 with the Arizona-Mexico commission to coordinate recruitment and admissions
10 activities.

11 H. NO LATER THAN SEPTEMBER 1, 2008, THE ARIZONA BOARD OF REGENTS SHALL
12 CONDUCT OR CONTRACT WITH ANOTHER ENTITY TO CONDUCT A FINANCIAL ANALYSIS OF
13 EACH UNIVERSITY UNDER ITS JURISDICTION TO DETERMINE THE AMOUNT OF STATE
14 FUNDING PROVIDED TO EACH UNIVERSITY PER FULL-TIME EQUIVALENT STUDENT. IF THE
15 FINANCIAL ANALYSIS PRESCRIBED IN THIS SUBSECTION IS CONDUCTED BY THE BOARD,
16 THE ANALYSIS SHALL BE REVIEWED AND ANALYZED BY AN INDEPENDENT ACCOUNTING FIRM
17 OR BY THE AUDITOR GENERAL. THE HIGHEST LEVEL OF STATE FUNDING PER FULL-TIME
18 EQUIVALENT STUDENT DETERMINED IN THE FINANCIAL ANALYSIS SHALL BE CLASSIFIED
19 AS THE CORE SUPPORT LEVEL AND THE BOARD SHALL REPORT THIS AMOUNT TO THE JOINT
20 LEGISLATIVE BUDGET COMMITTEE. BEGINNING IN FISCAL YEAR 2009-2010, EACH
21 UNIVERSITY THAT RECEIVES STATE FUNDING PER FULL-TIME EQUIVALENT STUDENT IN AN
22 AMOUNT THAT IS LESS THAN THE CORE SUPPORT LEVEL SHALL SUBMIT A FIVE-YEAR
23 EQUALIZATION PLAN TO THE BOARD. EQUALIZATION PLANS SUBMITTED PURSUANT TO
24 THIS SUBSECTION SHALL DEMONSTRATE THE AMOUNT OF STATE FUNDING THAT WOULD NEED
25 TO BE INCREMENTALLY APPROPRIATED EACH FISCAL YEAR TO EQUALIZE WITHIN FIVE
26 YEARS THE STATE FUNDING PER FULL-TIME EQUIVALENT STUDENT FOR THAT UNIVERSITY
27 WITH THE CORE SUPPORT LEVEL. BEGINNING IN FISCAL YEAR 2009-2010, EACH
28 UNIVERSITY THAT SUBMITS AN EQUALIZATION PLAN TO THE BOARD SHALL SUBMIT TO THE
29 BOARD A BUDGET REQUEST FOR EQUALIZATION ASSISTANCE FOR THAT FISCAL YEAR. THE
30 BOARD SHALL REQUEST A SEPARATE LINE ITEM APPROPRIATION FOR EQUALIZATION
31 ASSISTANCE FOR EACH AFFECTED UNIVERSITY UNDER ITS JURISDICTION IN THE BUDGET
32 ESTIMATE SUBMITTED PURSUANT TO SECTION 35-113. THE BOARD SHALL RECOMPUTE THE

1 CORE SUPPORT LEVEL ON OR BEFORE AUGUST 1 OF EACH FISCAL YEAR AND SHALL
2 REQUIRE UNIVERSITIES TO SUBMIT ANY CORRESPONDING ADJUSTMENTS TO EXISTING
3 EQUALIZATION PLANS BEFORE AUGUST 15 OF EACH YEAR.

4 ~~H.~~ I. Subsection A, paragraph 6, subdivisions (a), (b), (c) and (d)
5 of this section do not apply to fee increases that are set by individual
6 universities and that do not require approval by the Arizona board of regents
7 before the fee increase becomes effective."

8 Amend title to conform

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